
Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

SCHEDULES

SCHEDULE 4

FORM AND CONTENT OF COMPANY ACCOUNTS

PART IV

SPECIAL PROVISIONS WHERE THE COMPANY IS A HOLDING OR SUBSIDIARY COMPANY

Consolidated accounts of holding company and subsidiaries

- 61 Subject to paragraphs 63 and 66, the consolidated balance sheet and profit and loss account shall combine the information contained in the separate balance sheets and profit and loss accounts of the holding company and of the subsidiaries dealt with by the consolidated accounts, but with such adjustments (if any) as the directors of the holding company think necessary.
- 62 Subject to paragraphs 63 to 66, and to Part V of this Schedule, the consolidated accounts shall, in giving the information required by paragraph 61, comply so far as practicable with the requirements of this Schedule and with the other requirements of this Act as if they were the accounts of an actual company.
- 63 The following provisions of this Act, namely—
- (a) section 231 as applying Schedule 5, but only Parts II, III, V and VI of that Schedule, and
 - (b) sections 232 to 234 and Schedule 6, so far as relating to accounts other than group accounts,
- do not, by virtue of paragraphs 61 and 62, apply for the purposes of the consolidated accounts.
- 64 Paragraph 62 is without prejudice to any requirement of this Act which applies (otherwise than by virtue of paragraph 61 or 62) to group accounts.
- 65 (1) Notwithstanding paragraph 62, the consolidated accounts prepared by a holding company may deal with an investment of any member of the group in the shares of any other body corporate by way of the equity method of accounting in any case where it appears to the directors of the holding company that that body corporate is so closely associated with any member of the group as to justify the use of that method in dealing with investments by that or any other member of the group in the shares of that body corporate.
- (2) In this paragraph, references to the group, in relation to consolidated accounts prepared by a holding company, are references to the holding company and the subsidiaries dealt with by the accounts.
- 66 Notwithstanding paragraphs 61 and 62, paragraphs 17 to 19 and 21 do not apply to any amount shown in the consolidated balance sheet in respect of goodwill arising on consolidation.

***Status:** This is the original version (as it was originally enacted). This
item of legislation is currently only available in its original format.*

- 67 In relation to any subsidiaries of the holding company not dealt with by the consolidated accounts paragraphs 59 and 60 apply for the purpose of those accounts as if those accounts were the accounts of an actual company of which they were subsidiaries.